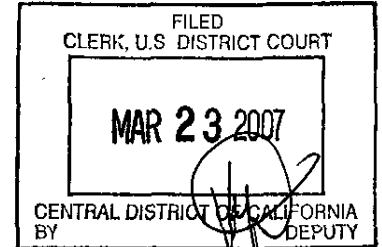


C. William Kircher, Jr. (State Bar No. 50897)
 A Member of C. WILLIAM KIRCHER, JR.
 A PROFESSIONAL CORPORATION
 19200 Von Karman Avenue, Suite 900
 Irvine, California 92612
 Telephone: (949) 474-2310
 Facsimile: (949) 720-8752
 Email: kircher@kirlaw.com

Attorneys for Plaintiff DKADVISORS
 HOLDINGS, PLC

Priority ☒
 Send ☒
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 JS-2/JS-3 ☐
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**UNITED STATES DISTRICT COURT
 CENTRAL DISTRICT OF CALIFORNIA**

DKADVISORS HOLDINGS, PLC, an
 Arizona professional limited liability
 company, also doing business as
 PROVISION HOLDINGS,

Plaintiff,

vs.

DeGREGORI INCORPORATED, a
 California professional corporation;
 VERTICAL ADVISORS, LLP, a
 California limited liability partnership;
 PETER V. DeGREGORI, an
 individual; LINDT TRUONG, an
 individual; MATT MacFARLAND, an
 individual; LAURIE HAMBLIN, an
 individual,

Defendants.

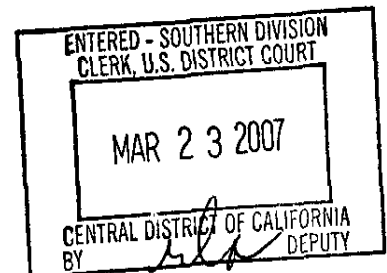
Case No. **SACV07-205 JVS (RZx)**

~~(PROPOSED)~~ PRELIMINARY
 INJUNCTION

Date: March 14, 2007

Time: 9:00 a.m.

**THIS CONSTITUTES NOTICE OF ENTRY
 AS REQUIRED BY FRCP, RULE 77(d).**



This matter came on regularly for hearing on the Order to Show Cause re
 Preliminary Injunction on March 14, 2007. Defendants DeGregori Incorporated,
 Vertical Advisors LLP, and Peter V. DeGregori appeared through their counsel,
 Quinlivan & Wexler, by Patrick Quinlivan, and Plaintiff was represented by C.
 William Kircher, Jr., a member of C. William Kircher, Jr., A Professional

LOGGED

1 Corporation. The Court, having considered the written submissions of the parties, the
2 evidence submitted, and the argument of counsel at the hearing, and in accordance
3 with the Court's findings in its minute order dated March 14, 2007,

4 IT IS HEREBY ORDERED that defendants DeGregori Incorporated, Vertical
5 Advisors LLP, Peter V. DeGregori, Lindt Truong, Matt MacFarland, and Laurie
6 Hamblin are enjoined and restrained, pending the determination of this case on the
7 merits, from directly or indirectly and whether alone or in concert with others,

8 (a) using, copying, disclosing, removing, or transmitting Plaintiff's
9 confidential information that was contained in the records or files of Plaintiff
10 DKAdvisors Holdings, PLC ("DKAdvisors") or DKAdvisors Irvine, LLP (the
11 "Partnership"), whether in the form of hard copy or information stored on a computer
12 hard drive or disk or other storage medium, including the names, addresses and
13 financial information of any clients of Plaintiff or DKAdvisors Irvine, LLP
14 ("Partnership Clients"); except that defendants may use and access client files,
15 records, and work papers pertaining to (i) Partnership Clients identified in the
16 Partnership Agreement as "PVD Clients"; (ii) Partnership Clients whom Vertical
17 Advisors has not solicited and who have retained Vertical Advisors to perform
18 services for them; and (iii) Partnership Clients for whom Vertical Advisors is
19 otherwise permitted to perform services pursuant to paragraph (c) of this preliminary
20 injunction;

21 (b) soliciting business from any Partnership Client that defendants, or any of
22 them, served while associated with the Partnership, except for clients identified in the
23 Partnership Agreement as "PVD Clients";

24 (c) accepting any business from any Partnership Client that they, or any of
25 them, solicited to do business with Vertical Advisors; for purposes of this restraining
26 order, any client to whom defendants sent the February 1, 2007 letter attached hereto
27 as Exhibit "A", the February 5, 2007 letter attached hereto as Exhibit "B", or the email
28 attached hereto as Exhibit "C," shall be deemed to have been solicited; except that

1 nothing in this order shall preclude defendants from accepting business from clients
2 defined in the Partnership Agreement as "PVD Clients", and further provided that
3 Vertical Advisors may complete ongoing tax return preparation related work with
4 respect to the 2006 tax year and prior tax years, irrespective of whether the clients
5 were solicited, for those clients (1) as to whom Plaintiff has previously confirmed in
6 writing to defendants or their counsel that Vertical Advisors may complete such
7 ongoing work or (2) as to whom defendants substantiate that the client retained
8 Vertical Advisors prior to the date of the Temporary Restraining Order to perform
9 such work by providing a copy of the client engagement letter to Plaintiff;

10 (d) using, accessing, deleting, disclosing, viewing, transmitting, copying,
11 removing or altering in any way any computer files or data copied from DKAdvisors'
12 servers;

13 (e) using, accessing, deleting, disclosing, viewing, transmitting, copying,
14 removing or altering in any way any computer files or data derived from files or data
15 copied from DKAdvisors' servers;

16 (f) using, accessing, disclosing, viewing, transmitting, removing, copying or
17 displaying any hard copies made or derived from computer files or data described in
18 subparagraphs (d) or (e), above;

19 (g) using, copying, transmitting, removing, or accessing DKAdvisors' tax
20 return preparation guide;

21 (h) interfering with or preventing the forwarding to Plaintiff of mail that is
22 addressed to Plaintiff or the Partnership;

23 (i) opening, removing, tampering with or denying Plaintiff access to and
24 possession of any and all mail received at 1 Park Plaza, Suite 950, Irvine, California,
25 that is addressed to Plaintiff or the Partnership, together with all enclosures to said
26 mail;

27 (j) interfering with or preventing Plaintiffs' access to the Partnership's leased
28 offices at 1 Park Plaza, Suite 950, Irvine, California;

1 (k) interfering with or preventing Plaintiff from obtaining office suite keys
2 and building passkeys for access to the Partnership's leased offices at 1 Park Plaza,
3 Suite 950, Irvine, California;

4 (l) removing, or selling or otherwise transferring any furnishings or
5 equipment or other property of the Partnership;

6 (m) removing, altering, or interfering with or preventing Plaintiff from
7 accessing, copying, or otherwise using Partnership Client files, records, and work
8 papers; except that defendants may use and access client files, records, and work
9 papers pertaining to (i) Partnership Clients identified in the Partnership Agreement as
10 "PVD Clients"; (ii) Partnership Clients whom Vertical Advisors has not solicited and
11 who have retained Vertical Advisors to perform services for them; and (iii)
12 Partnership Clients for whom Vertical Advisors is otherwise permitted to perform
13 services pursuant to paragraph (c) of this preliminary injunction;

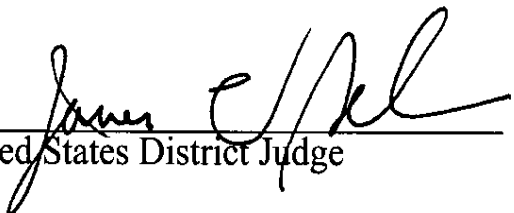
14 (n) using or displaying the 1 Park Plaza, Suite 950, Irvine, California address
15 on Vertical Advisors' stationery or in emails to clients;

16 (o) continuing to occupy Partnership suite at 1 Park Plaza, Suite 950, Irvine
17 California or to conduct any further business or operations on behalf of Vertical
18 Advisors in such suite.

19 The Court finds that the bond previously filed by Defendants is adequate and,
20 accordingly, no further security shall be required pursuant to F.R.Civ.P. Rule 65(c).

21 Dated:

3.22.07

22
23 
24 United States District Judge
25
26
27
28



I Park Plaza
Suite 950
Irvine, CA 92614

Phone: (949) 756-8080
Facsimile: (949) 271-4555
www.verticaladvisors.com

February 1, 2007

REDACTED

This letter is to inform you that DKAdvisors Irvine LLP (the DKAdvisors office in Irvine, California) has been dissolved as of February 1, 2007. You have the right to select the accounting firm of your choice. The Irvine staff and myself have formed a new accounting firm named Vertical Advisors LLP. Although Vertical Advisors is not affiliated with ProVision, we will continue to provide best in class accounting, tax and strategy for each client and will also continue to support the philosophy of Diane Kennedy. You have the option to hire Vertical Advisors LLP, ProVision (the DKAdvisors Arizona office) or a third party.

If you would like to use Vertical Advisors LLP as your accounting provider, we would be happy to hear from you. Please use the information above to contact us. We can also be reached at a toll free 1-866-756-8868 or by email: advisors@verticaladvisors.com.

We apologize for any inconvenience. Vertical Advisors LLP is currently ready for tax season and fully operational.

Warmest regards,

A handwritten signature in black ink, appearing to read 'Peter V. DeGregori', is written over a horizontal line.

Peter V. DeGregori, CPA
Partner

To ensure compliance with requirements imposed by the IRS, we inform you that any US federal tax advice contained in this communication (including any attachments) is not intended or written to be used, and it cannot be used for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing, or recommending to another party any transaction or matter addressed herein. If you are not the original addressee of this communication, you should seek advice based on your particular circumstances from an independent advisor.



1 Park Plaza
Suite 950
Irvine, CA 92614

Phone: (949) 756-8080
Facsimile: (949) 251-4555
www.verticaladvisors.com

February 5, 2007

Dear Client,

By now you should have received correspondence explaining that DKAdvisors Irvine LLP (the DKAdvisors office in Irvine, California) has been dissolved as of February 1, 2007. Vertical Advisors LLP is the spin-off of that firm. Vertical Advisors was formed by the same people you have been working with at DKAdvisors, Irvine, and we intend to offer you the same great service you've been receiving. You have the right to select the accounting firm of your choice, whether it is Vertical Advisors LLP, ProVision (the DKAdvisors Arizona office) or a third party. To ensure that you have an opportunity to make that choice, we have enclosed a Vertical Advisors tax preparation package. This package includes the following items:

Individual tax return preparation organizer
Engagement Letter to retain the services of Vertical Advisors
Client Consent for Release of Tax & Consulting Documents
Client Consent for Communication and Release - Bookkeeping
Credit Card Authorization Form
Real Estate Professional Form
Fax Cover Sheet
Return Envelope for tax preparation organizer

If you would like Vertical Advisors LLP to prepare your tax returns, please sign and date the enclosed **Engagement Letter**, **Client Consent for Release of Documents**, and **Client Consent for Communication and Release - Bookkeeping** (if applicable) and return them with the appropriate retainer to our Irvine office. If you wish to fax this information, we have included a fax cover sheet for your convenience; please note the new fax number. You do not have to wait until you have all of your tax preparation information gathered to return this information. You can complete and send your tax prep organizer at a later date if you prefer.

If you have any questions or you would like to speak to your Tax Advisor, we would be happy to hear from you. Please use the information above to contact us. We can also be reached toll free at 1-866-756-8868 or by email: advisors@verticaladvisors.com.

We apologize for any inconvenience. Vertical Advisors LLP is currently ready for tax season and fully operational.

Warmest regards,

Peter DeGregori, CPA, MST

To ensure compliance with requirements imposed by the IRS, we inform you that any US federal tax advice contained in this communication (including any attachments) is not intended or written to be used, and it cannot be used for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing, or recommending to another party any transaction or matter addressed herein. If you are not the original addressee of this communication, you should seek advice based on your particular circumstances from an independent advisor.

From: Vertical Advisors [VerticalAdvisors@verticaladvisors.com]
Sent: Thursday, February 08, 2007 5:09 PM
To: undisclosed-recipients
Subject: Update on DKAdvisors Irvine, CA Office and Vertical Advisors LLP
Importance: High

To all our clients & friends,

First I want to apologize for the confusion that has been created by our spin off. I have spoken with many of you and I felt another email was required. I have been informed by numerous clients that the ProVision office is stating that DKAdvisors Irvine LLP isn't dissolved and in fact, DKAdvisors is still open for business. That is not a true statement! As you have seen, the Arizona office changed its name to ProVision a couple months ago, and the Irvine office kept the name DKAdvisors. As stated in my letter, on February 1, 2007, DKAdvisors Irvine LLP was dissolved. As all of our clients are pretty smart regarding legal structures, which is primarily due to the tax coaching, the facts are simple. You can not have a partnership with only one partner. That is what happened when my Corporation terminated my partnership interest. If anyone wants a copy of the statement of dissolution, please let me know and I will provide you with a copy as long as my attorney says I can. However, I have been informed by my legal counsel, that it is public information. I decided that this spin off was best for me, my employees and our clients. The services that Vertical Advisors will provide will be even better!!!

I have also heard that the ProVision office is stating that myself and the whole Irvine office just left and abandoned all of our clients. Again, that is not true. We spun off, and all of you should have received emails, letters and phone calls from us explaining that. As clients, you can choose any accounting firm to hire. We are still in the processing of calling everyone, so if you haven't heard from us, and you want to discuss things sooner than later, please contact me at the number below.

If you were happy with our service, then you should consider staying with us, if you haven't already. Our best in class service will still remain the same. We have only changed our name, phone number and email address. We will still provide our proactive customized tax consulting services for each and every client. In addition, we provide tax consulting which incorporates much more than real estate however, we still specialize in real estate. We are still working with and supporting all of Diane Kennedy's philosophies. We are fully operational and ready for tax season and tax consulting. Engagement letters are being sent out to all the clients that have contacted us. We have included documents in the tax packages, which will make this transition.

I have also been informed that ProVision is offering a discount on all tax services if you retain them. As many of you have already experienced (prior to coming to DKAdvisors), the lowest price typically doesn't provide the best service. As my Grandmother said, "You get what you pay for". Vertical Advisors will still maintain the highest quality service, and we will not be outsourcing any tax preparation to India or any other firms. Everything will be done in house.

We appreciate the huge amount of support that we have already received from all of you. It really makes us feel good when our clients provide us with good feedback and decide to continue to maintain the relationship with us. Again I apologize for the confusion with the spin off and I wish I didn't have to continue writing, but I felt you needed to know the truth.

Please feel free to contact me at the number below, or you can also speak with Laurie Hamblin and / or Matt MacFarland.

Warmest Regards,

Pete

PETER V. DEGREGORI, CPA, MST
VERTICAL ADVISORS LLP
T: 949-756-8080
F: 949-271-4555
E: advisors@verticaladvisors.com
1 PARK PLAZA, STE 950
IRVINE, CA 9261



To ensure compliance with requirements imposed by the IRS, we inform you that any US federal tax advice contained in this communication (including any attachments) is not intended or written to be used, and it cannot be used for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing, or recommending to another party any transaction or matter addressed herein. If you are not the original addressee of this communication, you should seek advice based on your particular circumstances from an independent advisor.

PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF ORANGE

I am employed in the County of Orange, State of California. I am over the age of eighteen (18) years and not a party to the within action; my business address is 19200 Von Karman Avenue, Suite 900, Irvine, California 92612.

On March 21, 2007, I caused the foregoing document described as **(PROPOSED) PRELIMINARY INJUNCTION** to be served on the parties interested in said action, by placing a true copy thereof, enclosed in a sealed envelope, addressed as follows:

Patrick C. Quinlivan, Esq.
QUINLIVAN WEXLER, LLP
6 Hutton Centre, Suite 1150
Santa Ana, CA 92707

[X] BY MAIL

I caused the above-described document to be deposited with United States Postal Service, with postage thereon fully prepaid, at Irvine, California.

[X] BY FAX

I caused the above-described document to be transmitted by facsimile machine, telephone number (949) 720-8752, pursuant to California Rules of Court, Rule 2005. The total number of fax pages transmitted was _____. The facsimile machine I used complies with Rule 2003(3), and no error was reported by the machine. Pursuant to Rule 2008(e), I caused the machine to print a record of the transmission, a copy of which is on file in this office. Said fax transmission occurred as stated in the transmission record and was directed to the addressee(s) at the fax number stated opposite each name.

[] BY PERSONAL DELIVERY

I caused the above-described document to be hand delivered to the persons named in the attached Service List at the addresses set forth therein.

[] STATE I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

[X] FEDERAL I declare that I am employed in the office of the bar of this court at whose direction the service was made, and in accordance with 28 USC §1746, the foregoing is true and correct.

Executed on March 21, 2007, at Irvine, California.



Scott W. Kircher